

## **AML ADVISORY COMMITTEE**

### **Minutes Semi-Annual Meeting September 6, 2006**

Jerry Baird at the Powell River Project Pavilion called to order a regular meeting of the AML Advisory Committee to order at 3:00 p.m. pursuant to the notice sent to all committee members.

The following members and guests were present: Wade Biddix, Natural Resources Conservation Service (NRCS); Jerry Baird, Alpha Natural Resources; Glenn Graham, retiree NRCS; Phil Shelton, UVA College at Wise; Gerald Ramsey, Consolidation Coal Company; Eddie Hannah, Lonesome Pine Soil and Water Conservation District; Ian Dye, Office of Surface Mining, Butch Lambert and Roger Williams, Department of Mines, Minerals and Energy.

Members absent: Martha Podren, Tennessee Valley Authority; Carol Doss, Upper Tennessee River Roundtable.

Jerry Baird presided, Roger Williams recorded the proceedings of the meeting, and Dawn Bays transcribed the minutes. Minutes of May 24, 2006, were reviewed and revised. Revision included attendees. The minutes from September 6, 2005, were approved.

#### **DMLR PROGRAM UPDATE – Roger Williams**

The House and Senate came very close to taking action on passing the Comprehensive AML Reauthorization Legislation, HR5970, which in addition to AML reform had a subject matter of particular controversy called a minimum wage being tied to an estate tax relief. The vote taken to end the debate was held August 3<sup>rd</sup>, ended up three votes short of ending the debate and passing the bill. It died, not because of AML as being a controversy but because of the issue of linking the minimum wage increase to estate tax relief.

Congress comes back into session after Labor Day. The first gathering will be on the 11<sup>th</sup> of this month. We think this comprehensive AML legislation is going to have strong support in Congress. Trying to find a bill to attach it to will be an issue. Last time it was attached to pension reform because of provisions on the combined benefit fund. We had hoped it would get attached to the energy bill but it got kicked out because it was too controversial at that time. I think this coming year there will opportunity under some new legislation to get a permanent fix.

A spreadsheet showing the AML payment to states under the revised Senator Santorum/Specter AML reauthorization proposal was discussed. The tax would stay on

for an additional 15 years under this proposal to 2021. It shows the payouts from year one, which would be 2007, all the way to 2028. You will see in Virginia's figures the breakout for 2008 proposes about a five million dollar annual grant. We peak in 2016 at \$11,000,000 a year. Over the extended 15-year period Virginia would get a payout of \$167,000,000 under this proposal. This is substantially more than we have ever had historically.

The new legislation allows states to use 100% of the money for water projects if they choose. The bill increased the cap for the acid mine drainage set aside to 30% which is now 10%. This will allow programs to be more aggressive in the area of acid mine drainage treatment and public water supplies. It is a very comprehensive piece of legislation. One thing we are interested in is to allow enhancement for re-mining and increase the incentives to coal operators to re-mine and reclaim abandoned mine land sites. Currently the program is authorized through a temporary budget fix process through September 30, 2007.

One thing the states have been doing, is trying to do outreach on the AML program. The National Association of Abandoned Mine Land Programs put out a pamphlet that includes some information showing what all the AML Program has done, why it is important. A few of the highlights include that more than 285,000 acres of abandoned coal mine sites have been reclaimed through 3.5 million in grants of states and tribes of the AML programs. This means hazards associated with more than 27,000 open mine portals and shafts, 2.5 million feet of dangerous highwalls, and 16,000 acres of dangerous piles and embankments have been eliminated. It points out that for every million dollars we spend in grant funds they estimate 40 jobs are created. We were able to feature in the brochure our Ely Creek project that we partnered with the Corp. of Engineers. We felt this would be a good tool to provide to federal legislators, people working on the AML extension so they would know what was going on with the program and what the program is all about. I think the pictures speak a thousand words when you look at some of these sites.

I want to briefly go over an update of partnering efforts we have ongoing. The Route 606 Project (post-act) was funded with OSM civil penalty money. It is not AML eligible, so we used \$45,000 in civil penalty money. We actually needed about \$60,000 to do the total reclamation. We were able to get TVA to work with us and they were able to secure about \$15,000, which they passed through the Black Diamond RC& D. That site has been reclaimed and we have gotten a lot of mileage out of that. The TVA is very pleased with it and they want to take one of their high officials down there to look at the site.

We are excited about a Carbon Sequestration partnership with The Nature Conservancy (TNC). The mine site isolated outside of Dante. The TNC was able to work with the landowners to secure a long-term lease on the property, which will allow for the trees to mature and gas development and other mineral activity to take place on the site. They will start on the project this fall. Dr. Jim Berger is coordinating the project with

TNC. They will rip the area and spray herbicide to kill off the competitive vegetation this month. Then a variety of trees will be planted.

Another area we were able to get additional monies was from the VA Dept. of Conservation and Recreation. We got an award for \$140,000 from the Water Quality Improvement Act Funds. Those are state funds that the Governor approves. We have three projects that have been funded directly with DMME. We were also able to get three additional projects funded through partnerships with the Guest River Restoration Project, the Lonesome Pine Soil and Water Conservation District and the Big Sandy Conservation District.

A brief update on the joint DMME/Corps of Engineers project was presented. Pictures of a recently completed SAPS (Successive Alkalinity Producing System) constructed in Puckett Creek were shown. The Corp's construction contractor is Robert Clear Coal Corporation.

A brief update on the emergency program was given. A picture was shown of the recently completed Jackson Landslide Emergency in Buchanan County. This weekend this area was wiped out again due to heavy rain. We have remobilized and have equipment there now trying to prevent further damage. We had a report of over five inches of rain near the site. The vegetation was great, but only nine months old.

There is a citizen in Chesterfield County by the name of Nancy Frantel who will be working to get legislation passed in the next session of the General Assembly, dealing with requiring notification of prior mining in property transfers throughout the state. Last year, legislation was passed requiring such notification for land transfers in the Richmond coal basin. This was the result of people buying property not realizing there was mining in an around the area. There are a lot of issues to deal with if this is applied to the Southwest Virginia Coalfields. There will be a lot of debate on this during this legislation session.

### **NRCS RAMP PROGRAM and PL566 PROGRAM – Wade Biddix**

We are partnering with DMME, Lee County, and the Daniel Boone Soil and Water Conservation District on developing a watershed plan for the North Fork Powell River Watershed. We had hoped to have the watershed plan in a draft stage at this point, but we are making progress. We had some field trips and I think we have narrowed down that there are about 48 identified sites in the watershed. I think the Corp of Engineers has about 12 AMD sites in the North Fork of Powell River that they have agreed to do something already or the sites are in the planning phase. There are 36 remaining sites NRCS is evaluating to determine what the impacts are and trying to put together an overall watershed approach in dealing with the AMD as well as some erosion issues from overburden that has been left.

We have developed a good working relationship with Jeff Linkinhoker and Steve Gephardt, a consultant to the Corps of Engineers, to train our staff next week to help us

make a decision to proceed with the tools he has or if we should go back and use our traditional watershed planning approach. Any funding effort we propose has to go through reviews before being funded. We are hoping we can take a look at his approach and either come up with something new or help us to make decisions on where to go from here. We are trying to finalize the watershed plan by January; we would at least have a draft plan in place in the next three months. We would finalize that and apply for funding in the FY08 cycle, which will begin in October 2007. It is our top priority for planning right now. We anticipate receiving funding for NRCS to complete the plan. Our agency comes into play from the water quality and threatened and endangered species. We would like to take a look at the new ecological approach the Corps of Engineers is using if we can come up with a system to evaluate each site. This will allow us to finish the plan in a reasonable amount of time. Again, we are right now getting the final information and putting it all together. There were several good media articles written about the recent field trip to the North Fork Powell River, which were very positive and supportive.

Right now, on a larger scale, we were somewhat pleased with the proposed budget from the House and Senate side. We get money in three different accounts, one in the planning and surveys account, one in the watershed operations account, and then the dam rehabilitation account. In the planning side the funding stayed level at least for right now. The watershed operations budget got cut almost in half, from \$78 million to \$40 million. The dam rehabilitation went up a few million from \$27 million to \$32 or \$33 million. The agency's priority is more toward dam rehab right now.

I think the partnering effort on the North Fork of Powell River under the PL-566 program is a win-win situation. Once we figure out the ideal planning approach to use, then I think it might be applicable in other watersheds as well.

There is no activity in RAMP.

### **General Discussion**

Roger Williams -RAMP money is still in unallocated balance. New legislation basically eliminates it and puts the money to where it can come back to the states in grants.

Phil Shelton - The symposium is going on at UVA's College at Wise. Maybe there are people that would like to attend. It is scheduled until 4:30 p.m. We would be able to make one of the tours. It is interesting to hear what they have researched as a suggestion for our next fall meeting. In future years, I could secure us a room at the college to have our AML Advisory Committee meeting, have lunch, then go next door for the symposium.

Eddie Hannah – I am representing Lonesome Pine on the Eastern Coal Roundtable and they are interested in the AMD initiatives. Anything you want me to pass on to that group, let me know. They are struggling financially; apparently there are

a number of organizations involved with this group. They have a big presence in DC on National River Lobbying Day. I am just trying to keep a tab on what they are doing. I want to make sure our interest is heard correctly.

Ian Dye – As of June 2, 2006, Bob Penn retired. As of June 5<sup>th</sup> the Big Stone Gap field office no longer existed. We became the Big Stone Gap area office. We report to the Knoxville field office. Mr. Tim Daringer is the Field Office Director. He will be here later on tonight, so make a point to meet him. Long-term plan is to put an area office manager full time in Big Stone Gap and we will answer to Tim.

### **Committee Business**

Shannon O'Quinn has been promoted in TVA and Martha Podren will be on the AML Advisory Committee in his place. Carol Doss was unable to attend and sends her regrets. Hopefully, Shannon will get to return one day.

Meeting adjourned.

---

Roger L. Williams  
DMME Abandoned Mine Land Services manager

RLW/dfb